

ADJUSTMENT OF OVERTIME PAY OF SUPERVISORY EMPLOYEES OF THE POSTAL SERVICE

JUNE 27, 1952.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. BURNSIDE, from the Committee on Post Office and Civil
Service, submitted the following

REPORT

[To accompany H. R. 6326]

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 6326) to amend subsections (c) and (d) of section 3 of the Postal Salary Act of July 6, 1945, as amended, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

On page 1, line 7, strike out "is" and insert "are".

PURPOSE OF THE AMENDMENT

This amendment is a technical amendment of the verb "is" to correspond with the plural subject.

STATEMENT

This legislation will correct what seemingly was an oversight in Public Law 204 of this Congress, the law which increased postal employees' salaries and provided a reclassification for postmasters and supervisors.

The present law provides that supervisors may be paid overtime for services performed on Saturdays, Sundays, and Christmas Day during the month of December in lieu of compensatory time if their base salaries are not in excess of \$4,170 per annum. This figure should have been increased to \$4,970 per annum when Public Law 204 was enacted if Congress wanted to maintain the same principle of the pay laws with respect to these overtime payments.

Hearings were held at which representatives of employee organizations and the Post Office Department testified. It was pointed out

2 ADJUST OVERTIME PAY OF POSTAL SUPERVISORY EMPLOYEES

that unless this correction was made many postal employees in the top longevity grades would draw a larger annual salary than the first line supervisors, that is, the foremen. There was general agreement that the change which this bill proposes was fair and should be approved.

The Post Office Department has estimated that the cost of this legislation will be approximately \$500,000.

The following favorable reports were received from the Post Office Department and the Bureau of the Budget:

OFFICE OF THE POSTMASTER GENERAL,
Washington 25, D. C., May 12, 1952.

Hon. TOM MURRAY,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives.*

DEAR MR. CHAIRMAN: Reference is made to your request for a report on H. R. 6326, a bill entitled "To amend subsections (c) and (d) of section 3 of the Postal Salary Act of July 6, 1945, as amended."

Subsections (c) and (d) of section 3 of Public Law 134, approved July 6, 1945, as amended, which would be further amended by this measure, provide:

"(c) The Postmaster General may, if the exigencies of the service require, authorize the payment of overtime to employees other than supervisory employees whose base salaries, exclusive of longevity salary, are more than \$4,170 per annum, for services performed on Saturdays, Sundays, and Christmas Day during the month of December, in lieu of compensatory time.

"(d) Supervisory employees shall be allowed compensatory time for services performed in excess of eight hours per day, and those whose base salaries, exclusive of longevity salary, are more than \$4,170 per annum shall be allowed compensatory time for services performed on Saturdays, Sundays, and on Christmas Day during the month of December, within one hundred and eighty days from the days such service was performed."

The effect of the amendments proposed by H. R. 6326 is to change the amount "\$4,170" stated in the above-quoted subsections to read "\$4,970", thereby increasing this limitation \$800, which is in line with the \$800 maximum increase granted by Public Law 204, approved October 24, 1951.

Under this amendment, the Postmaster General, in his discretion, could authorize the payment of overtime in meritorious cases to supervisors whose basic salary is \$4,970 or less (exclusive of longevity salary), for services performed on Saturdays, Sundays, and Christmas Day during the month of December, in lieu of allowing compensatory time for such employees. H. R. 6326 would, in fact, carry out the policy established since the enactment of Public Law 134 and prior to the enactment of Public Law 204, of raising the limitation imposed in subsections (c) and (d) of section 3, Public Law 134, by the amount of the increment granted to field postal employees, and thereby continue in effect the spread between supervisors and regular employees in this respect.

It is believed that the failure to increase the limitation in subsections (c) and (d) of section 3, Public Law 134, by a specific amendment in Public Law 204 is due to the fact that legislation relating to the reclassification of salaries of postmasters and supervisors was considered separately from the legislation to increase the compensation of regular employees. It is possible that it was decided that a supervisory position in any organization entails certain responsibilities, and that the increases in the compensation to postmasters and supervisory employees under consideration would adequately compensate such employees for overtime work performed, for which they would receive compensatory time. However, when consideration was given to the measure which was enacted as Public Law 204, the fact was apparently overlooked that the increases granted to regular employees would result in the payment of basic compensation almost equal to, or in excess of, \$4,170.

Under the present limitation in section 3 of Public Law 134, it is possible for nonsupervisory employees to earn almost as much per annum as certain junior supervisors under whose supervision the employees work. This is not only unfair to the supervisory employees, but also affords little incentive for subordinate employees to assume supervisory positions with the added responsibilities. This condition would be remedied by the enactment of H. R. 6326.

There are reasons why administrative discretion in the allowance of overtime pay in the positions covered by this bill should be preserved. For example,

there are many instances when the proper performance of duties by supervisory employees require short periods of overtime service. This is done at the discretion of the individual supervisor, and properly so, since he is in a position to know whether or not the additional service is required. It is appreciated by this Department that there are instances in which the payment of overtime compensation is entirely proper and fair. In proper cases, payments for overtime employment are presently made to the supervisors and employees eligible therefor under section 3 (c) of Public Law 134. In order to avoid possible abuses, and in order to obviate needless expenditures, it is imperative, as has been done in this bill, that the prerogative of authorizing the payment of overtime compensation remain in the Postmaster General, to be exercised by him only if the exigencies of the service require.

It is estimated that the additional expenditures which would result from the enactment of this measure will be approximately \$500,000, but it is believed that the cost factor will be outweighed by the advantages of creating added incentive for subordinate employees to seek promotion to supervisory positions, of maintaining a proper spread salarywise between supervisors and employees supervised, and of maintaining the established policy of raising the limitation contained in sections 3 (c) and 3 (d) of Public Law 134 when the compensation of postal employees is increased.

In view of the foregoing, this Department recommends the enactment of this legislation.

The Bureau of the Budget has advised that there would be no objection to the presentation of this report to your committee.

Sincerely yours,

J. M. DONALDSON,
Postmaster General.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., May 27, 1952.

Hon. TOM MURRAY,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives, 213-215 Old House Office Building,
Washington 25, D. C.*

MY DEAR MR. CHAIRMAN: This will acknowledge your letters of February 1 and 25, 1952, inviting the Bureau of the Budget to comment on H. R. 6326, "To amend subsections (c) and (d) of section 3 of the Postal Salary Act of July 6, 1945, as amended" and H. R. 6725, "To provide for payment of overtime to postal employees during the month of December."

Because of the interest of the Post Office Department in this legislation its views were requested, and there are enclosed herewith copies of reports on the two bills which that Department has presented to your committee. The Bureau of the Budget agrees with the comments set forth in these reports.

Accordingly, the Bureau of the Budget would not object to the enactment of either H. R. 6326 in its present form or H. R. 6725 if amended as suggested by the Post Office Department in its report thereon.

Sincerely yours,

ELMER B. STAATS, *Director.*

Enclosures:

Copies Post Office reports.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

4 ADJUST OVERTIME PAY OF POSTAL SUPERVISORY EMPLOYEES

ACT OF JULY 6, 1945, AS AMENDED (PUBLIC LAW 134, 79TH CONG.)

SEC. 3. (a) * * *

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(c) The Postmaster General may, if the exigencies of the service require, authorize the payment of overtime to employees other than supervisory employees whose base salaries, exclusive of longevity salary, are more than ~~[\$4,170]~~ \$4,970 per annum, for services performed on Saturdays, Sundays, and Christmas Day during the month of December, in lieu of compensatory time.

(d) Supervisory employees shall be allowed compensatory time for services performed in excess of eight hours per day, and those whose base salaries, exclusive of longevity salary, are more than ~~[\$4,170]~~ \$4,970 per annum shall be allowed compensatory time for services performed on Saturdays, Sundays, and on Christmas Day during the month of December, within one hundred and eighty days from the days such service was performed.

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